LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

301 State House (317) 232-9855

FISCAL IMPACT STATEMENT

LS 6642 BILL NUMBER: SB 270 **DATE PREPARED:** Mar 18, 2002 **BILL AMENDED:** Mar 14, 2002

SUBJECT: Library Administration.

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FUNDS AFFECTED: GENERAL IMPACT: Local

DEDICATED FEDERAL

<u>Summary of Legislation:</u> (CCR Amended) This bill makes various changes concerning public library administration. The bill allows employee severance pay for an employee who is involuntarily separated from library employment. The bill alters procedures for making loans and issuing notes in anticipation of future revenues and for paying claims. The bill adds to the list of items for which a public library may pay claims in advance of library board allowance. The bill allows a library board to designate a person to collect money or library property owed to the library. This bill authorizes a library board to compromise claims made against the library.

Effective Date: (CCR Amended) Upon passage.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures: The bill gives local library boards the option to adopt the above provisions. The specific impact of this proposal is indeterminable and will depend on the individual actions of each library board in the state.

Explanation of Local Revenues: (Revised) With respect to local revenues, a library board may collect library property or compromise the amount of money that is owed to a library. Additionally, the bill allows a library to add the costs of collection, including reasonable attorney's fees, to library property that is owed and collected. Additionally, the library board designated person may collect money from a person for the library only if the amount collected from the person would be greater than ten dollars.

The impact of this provision is indeterminable and will depend on the individual action of a library board.

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Background: Currently, there are 239 public library systems in the state.

State Agencies Affected:

Local Agencies Affected: Library boards, public libraries.

Information Sources:

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